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# *International Shoe Company*

***ANNUAL REPORT***

***1957***

BOARDS

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# 46<sup>th</sup> *ANNUAL REPORT*

## **Summary Description of the Business of the International Shoe Company, The Florsheim Shoe Company and Subsidiary Corporations**

### **INTERNATIONAL SHOE COMPANY**

#### ***Production:***

The Company manufactures a complete line of men's, women's and children's shoes.

The Company also manufactures, for its own use in the manufacture of shoes, upper leather, sole leather, rubber heels, rubber soles, cotton cloth for linings, chemicals, cements, leather welting and other items.

#### ***Distribution at Wholesale Level:***

Through its selling divisions, the Company distributes the shoes it produces throughout the United States and its possessions and to foreign countries where satisfactory trade relations can be carried on under existing government restrictions.

#### ***Distribution at Retail Level:***

At the retail level, the greater part of the Company's shoes is distributed through more than 30,000 independent retailers. A part goes through large and small chain organizations and through retail outlets operated by the Company.

Through its subsidiary, Shoenterprise Corporation, the Company finances the setting up of independently

owned and operated retail shoe outlets in locations where the Company's distribution is unsatisfactory.

### **THE FLORSHEIM SHOE COMPANY:**

The Florsheim Shoe Company, a division, manufactures and distributes Florsheim shoes for men and women.

### **SUBSIDIARY CORPORATIONS:**

This consolidated report includes the affairs and accounts of subsidiary corporations, all of which are engaged in businesses directly related to that of the Company. Four of these subsidiaries are of significant size:

**SAVAGE SHOES LIMITED** (Canadian Subsidiary), which manufactures Savage shoes and distributes them throughout Canada.

#### **SHOENTERPRISE CORPORATION**

**TWELFTH-DELMAR REALTY COMPANY** which owns and operates the Central Terminal Building in St. Louis, Missouri, with International Shoe Company as the principal tenant.

**BURK BROTHERS** which operates one tannery in Philadelphia, Pennsylvania.



# International Shoe Company

FOR THE YEAR ENDED NOVEMBER 30, 1957

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The Annual Meeting of Stockholders will be held  
at 10:00 A.M. on February 24, 1958 at the  
Company's General Offices,  
1509 Washington Avenue, St. Louis, Missouri



# Highlights of the Year 1957

FISCAL YEARS ENDED NOVEMBER 30	1957	1956
Net Sales.....	\$266,073,480	\$266,813,539
Income before Federal and Canadian Income Taxes.....	18,674,526	22,123,369
Federal and Canadian Taxes on Income.....	9,095,045	11,245,588
*Net Income—Normal Operating.....	9,577,281	10,748,172
<i>Including Nonrecurring items in 1956 of \$1,101,325</i>		11,849,497
Percent of Net Sales.....	3.6	4.4
Per Share—Normal Operating.....	2.86	3.20
<i>Including Nonrecurring items in 1956 of 33 cents</i>		3.53
Dividends Paid.....	8,053,933	8,061,847
Dividends per Share.....	2.40	2.40
Income Retained.....	1,523,348	3,787,650
Current Assets.....	126,004,662	130,642,789
Current Liabilities.....	28,964,350	31,252,387
Working Capital.....	97,040,312	99,390,402
Working Capital Ratio.....	4.4	4.2

\*After adjustment for minority interests.



# *Annual Message*

from the Chairman of the Board and the President...

*to our stockholders*

HIGHLIGHTS of the Company's results for the fiscal year 1957 are shown on the opposite page. Following the brief comments in this letter you will find more complete information, explanations and comments in other sections of this report.

Consolidated net sales were \$266,073,480 compared with \$266,813,539 a year ago—a decrease of three-tenths of one per cent from the 1956 record high sales. Sales would have shown a small increase except for a change in plan of making the year-end break on shipments. In order to avoid partial shipments of customers' orders the shipping floors were not cleared of shoes as in the past. This resulted in transferring some shipments from 1957 to 1958.

Consolidated net income of \$2.86 per share compared with \$3.20 normal operating net income for the prior year. Total net income of \$3.53 last year included nonrecurring items of 33 cents per share. The drop in net income is due principally to the absorption in 1957 of a considerable part of the extraordinary costs involved in the major moves begun in 1956 which were carried forward during 1957. These moves consist of consolidation of the non-sales functions of the general line

divisions, establishment of regional warehouses, the reorganization of our sales personnel and introduction of the electronic computer. They are now largely completed and similar costs in 1958 will be much less than in 1957.

These far-reaching moves represent the reorganization and re-equipping of the Company's personnel and facilities for much more precision-like functioning in the extremely complex shoe merchandising and marketing of today. This streamlined and high-speed alignment will improve our ability to make and deliver wanted shoes more quickly for retailers and more economically for the Company.

The completion of these moves has taken longer, and has incurred a greater amount of aggregate cost, than originally anticipated. The results are now showing up in much improved service to our customers and in a downward trend in our costs.

Shoe prices on the whole were unchanged during the year 1957. Some increases in prices were effective on the spring 1958 lines.

The ordinary costs of producing and distributing shoes continued to edge upward. The cost of materials was on the whole relatively stable. The



cost of labor was increased by the introduction of the employee pension plan. Cost control and expense reduction continued to receive major attention during the year.

Inventories were reduced by \$2.8 million. Part of this resulted from the consolidation of general line finished shoe stocks, the remainder from a planned reduction of other inventories.

Production for the year was 4½% lower than for 1956 due principally to a reduction in finished shoe inventories in 1957 as against an increase in finished shoe inventories in 1956.

Florsheim Shoe Company had another good year in 1957 with a continued good record in both sales and profits.

Savage Shoes Limited, our Canadian subsidiary, had another large increase in sales and continued a very profitable operation.

Retail shoe sales nationally when compared on a store-for-store basis will probably show 1957 as equalling 1956. This is in line with industry production which probably will be close to a break-even with 1956 when complete information is available.

In the closing months of 1957 it became evident that the long-sustained boom in the national economy had been at least interrupted. Whether this will prove to be a mild recession,

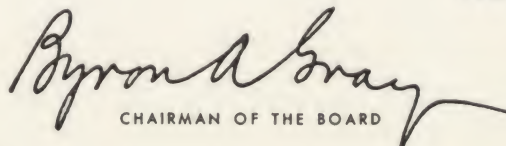
a pause, or whether it will develop into something deeper and longer, a depression, probably no one knows.

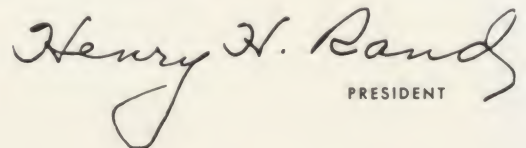
Whatever we may be facing, your Company has been kept sound. Inventories have been reduced to near-minimum working levels—they are unusually free of obsolescence—they are carried for the most part at "lifo" values considerably below current market values. Properties have been well maintained. Unused properties have been disposed of. As with the "lifo" inventories property values in our financial statement are much below current sound value. Streamlining of our selling, merchandising and producing organization is well along. Simplification of an essentially complex merchandising item through the consolidation of the four general lines has been virtually completed. Distribution problems particularly at the retail level are being solved. The development of adequate, representative retail outlets where needed is an established part of our operational procedure.

Your Company enters the new year in a strong position.

With the continued cooperation of our many good customers, our capable employees and our faithful stockholders we look for a good year in 1958.

FOR THE BOARD OF DIRECTORS

  
CHAIRMAN OF THE BOARD

  
PRESIDENT

January 6, 1958

## THE YEAR IN REVIEW

### SALES

Net sales for 1957 of \$266,073,480 were .3% below the record high of \$266,813,539 in 1956.

The trend toward lower-priced shoes which has been running in our industry ever since World War II continued in 1957. Statistics covering the industry are not available for 1957 but the average wholesale price for shoes in 1956 was almost 1% lower than the same average for the three years 1947-49. In this same period the wholesale price index of identical shoes increased 23%.

Retail shoe stores and other outlets on a store-for-store basis will probably show little change in sales in 1957 from 1956.

### NET INCOME—Prices—Costs

Net income of \$9,577,281 compares with normal net operating income of \$10,748,172 in 1956. Net income amounting to \$2.86 per share compares with \$3.20 normal operating net income for 1956.

Some adjustments upward on shoe prices were

made effective on the Company's spring 1958 line, but virtually none of these increases applied to 1957 shipments.

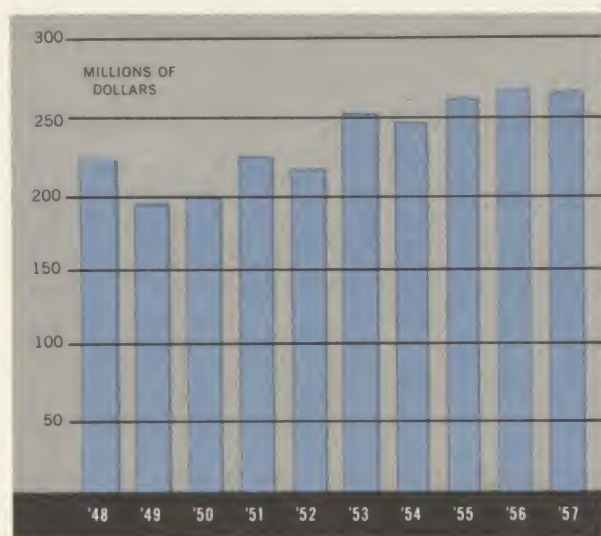
The employee pension plan, effective October 1, 1957, provided for payments into a pension fund of 3% of the gross pay received by the covered employees. The effect was to increase the Company's wage cost by approximately 3%.

Material prices were relatively steady during the year.

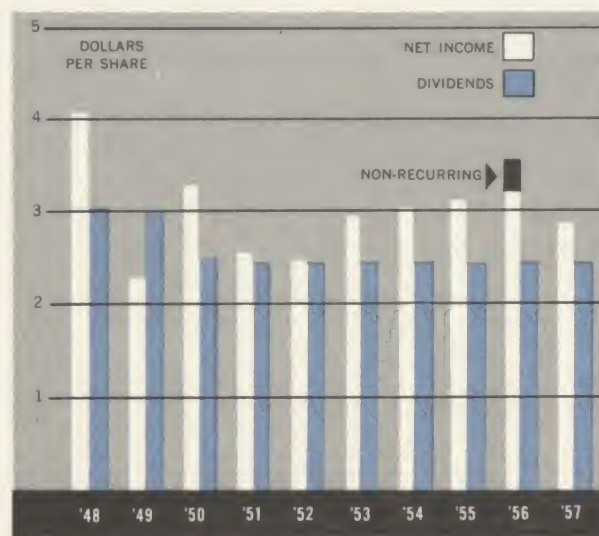
The earnings results were affected by unusual expenditures connected with the major moves being made in the Company's general line sales divisions discussed elsewhere in this report.

These moves begun in 1956 to increase efficiency in servicing customers' orders and to reduce costs have been advanced considerably during the year 1957. The time required for their completion is running longer than originally anticipated. As mentioned elsewhere this particular year bore a considerable amount of unusual cost related to these moves.

SALES



NET INCOME AND DIVIDENDS





Much has been accomplished and your management foresees results well in line with objectives. The consolidation of warehousing operations involved several physical moves of considerable size. These moves necessitated the use of additional and in many cases inexperienced employees. Increased cost resulted from the temporarily disturbed working conditions. Transportation, additional facilities and related items were additional unusual costs.

The cost of make-ready connected with the opening of the new finished shoe warehouse in Atlanta, Georgia, was also absorbed by this year's results.

Another one-time item of cost in 1957 was the cost of reducing our finished shoe and materials inventories, which naturally curtailed production with attendant high cost.

The development cost connected with the I.B.M. 705 Electronic Computer was another item of importance.

The I.B.M. 705 Electronic Computer arrived on schedule in February and has been functioning satisfactorily in a limited area for more than 9 months.

The exacting work required for programming the functions to be performed on the computer is time-consuming. The work performed by the computer last year has been done in about 12 hours weekly. Another important function is now ready to be introduced and this will bring the effective use of computer time up to about 30 hours weekly. By mid-1958, it is expected to be performing effectively on a 40 hour basis.

The functions which have been performed by the computer have confirmed all expectations. Your management is convinced that the use of this costly piece of equipment will be very profitable when it has been brought up to full performance.

During the development period the rental of the machine and the salaries of the programmers must be considered an item of investment which under our plan of accounting has been expensed.

## DIVIDENDS

Dividends amounting to \$8,053,933 were paid by the Company during the year 1957. This continued the dividend at the annual rate of \$2.40, paid 60¢ quarterly since April 1, 1950. On January 1, 1958,

the Company paid the 187th consecutive dividend on its common stock, completing 45 years of uninterrupted payments.

## PRODUCTION

Production of our shoe factories during 1957 amounted to 50,952,354 pairs of shoes, compared with 53,433,683 in 1956. The difference in production is accounted for principally by a reduction in finished shoe inventory in 1957 versus an increase in finished shoe inventory in 1956.

Industry production for our fiscal year is expected to show almost no change from a year ago.

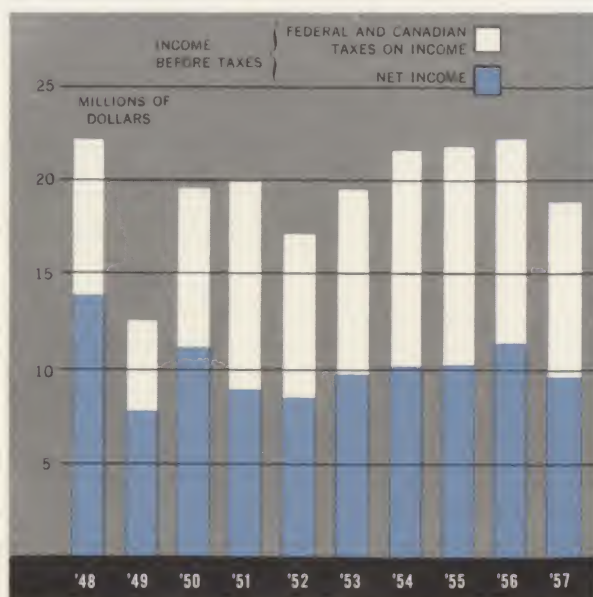
Our plants produced leather, cut soles, rubber soles and heels, cotton textiles and other articles for use principally by us in the manufacture of shoes as shown in the production summary on page 15.

## TAXES

Payment was received from the United States Government during the early part of 1957 in full settlement of the long-standing claims, as approved, for refunds of excess profits taxes under Section 722 of the Internal Revenue Code. The net effect after taxes of \$1,512,000 was entered on the books of the Company at the close of its 1956 fiscal year.

All years through fiscal 1954 have been examined by the Internal Revenue Service with differences settled.

## INCOME AND TAXES





## WORKING CAPITAL

*Funds were acquired during 1957 from sources as follows:*

Net income for the year . . . . .	\$ 9,577,281
Decrease in employees' notes receivable . . . . .	996,501
Reduction in sundry investments and deferred charges . . . . .	166,041
Decrease in excess of investment over equity in subsidiaries (net) . . . . .	54,576
	<u>\$10,794,399</u>

*These funds were distributed as follows:*

Dividends paid on parent company's common stock . . . . .	\$ 8,053,933
Net additions to physical properties, less depreciation . . . . .	1,466,639
Increase in customers' loans receivable . . . . .	1,817,662
Net decrease in long-term indebtedness . . . . .	1,415,250
Decrease in minority interests in subsidiary companies . . . . .	192,700
Acquisition of parent company's own common stock . . . . .	181,928
Reduction of capital surplus . . . . .	16,377
	<u>\$13,144,489</u>
Net Decrease in Working Capital . . . . .	<u>\$ 2,350,090</u>

Despite the decrease in working capital of \$2,350,090, working capital of \$97,040,312 at November 30, 1957, was the highest amount on record except for the 1956 year end.

The ratio of current assets to current liabilities

at year end was 4.4 compared with 4.2 at November 30, 1956. The increase in physical properties resulted principally from the Florsheim and Savage warehouses and additional purchases of USMC machines as discussed elsewhere in the report.

### *How we used our 1957 sales dollar*

For materials, supplies and expenses . . . . .	\$127,607,160	<b>47.9¢</b>
For employees' pay and benefits . . . . .	115,048,887	<b>43.2¢</b>
For tools wearing out (depreciation) . . . . .	3,327,648	<b>1.3¢</b>
For payments ordered by Government . . . . .	10,512,504	<b>4.0¢</b>
(taxes—excluding social security)		
For dividends to stockholders . . . . .	8,053,933	<b>3.0¢</b>
Remainder used in business . . . . .	1,523,348	<b>.6¢</b>
	<u>\$266,073,480</u>	<u><b>100.0¢</b></u>

## FEDERAL TRADE COMMISSION

On July 9, 1957, the Federal Trade Commission filed a complaint against International Shoe Company charging that certain conditions in contracts under its Merchants Service and Shoenterprise Plans constituted unfair trade practices.

International Shoe Company has always considered independent retail merchants an important factor in the distribution of its products. It has undertaken to aid in their establishment, to suggest and provide means designed to keep them sound and to help them meet increasingly intensive competition.

International's program includes its 25-year-old Merchants Service Plan and the Shoenterprise Plan. The Merchants Service Plan makes guidance available in all phases of retailing to independent shoe retailers who feature International-made shoes in a representative manner. The Shoenterprise Plan provides, in addition, financial assistance to qualified persons who want to go into the retail shoe business for themselves but who lack capital to do so.

A disposition of the case satisfactory to the Company is anticipated and may be made before this report is distributed to stockholders. We are confident that no action of the F.T.C. will prevent us from advantageously supporting the effort of

independent retail shoe merchants who undertake to distribute our products in a representative manner.

## PLANT FACILITIES

During the year Savage Shoes Limited completed a new warehouse in Preston, Ontario, Canada, at a cost of approximately \$400,000. This 70,000 square-foot, two-story building has become the Savage finished shoe shipping center.

At year-end construction was under way on a new warehouse in Chicago, Illinois, which will be used by The Florsheim Shoe Company for the handling and shipping of finished shoes. Approximately \$600,000 was expended on land and construction during 1957.

Additional machines, formerly leased, were acquired from United Shoe Machinery Corporation at a cost of approximately \$1,100,000. Since United offered such machinery for sale in 1955, the Company has purchased a total of 3,446 machines at a total cost of \$3,898,000. The United Shoe Machinery Corp. machines were selected for purchase after a comprehensive study of the advantages of buying versus leasing. It is expected that future acquisitions of such machinery will be on a more limited basis. The effect of these purchases is reflected in payments for rentals of shoe machinery which amounted to \$2,529,820 in 1957 compared with \$3,628,634 in 1954.

The total area of International Shoe Company's 58 shoe manufacturing plants comprises over 3,000,000 square feet. These plants which are equipped to produce a peak production of 240,000 pairs of shoes daily, are well maintained. Total repair and maintenance cost in 1957 for buildings, machinery and equipment amounted to \$5,049,489.

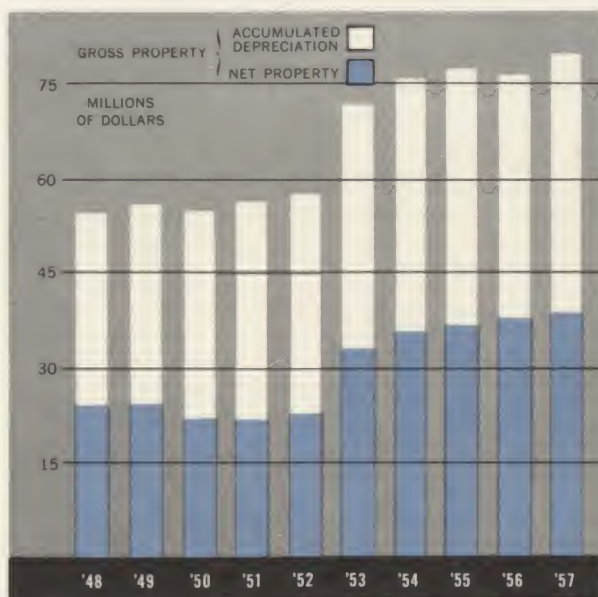
The map on pages 12 and 13 shows the locations of the shoe factories, tanneries, supply plants, finished shoe warehouses and offices comprising the facilities of the International Shoe Company.

## OUR PEOPLE

The year 1957 was another year of continued good relations with the Company's 35,500 employees.

A pension plan for principal employee groups went into effect on October 1, 1957. Pension payments to employees 65 years of age or older and

## PHYSICAL PROPERTIES





with at least 15 years of service will begin October 1, 1958. Qualified employees who left the Company's employ since October 1, 1955, will also be eligible for a pension on October 1, 1958.

Payment will be at the rate of \$1.25 per month for each year of credited service to be paid on a minimum of 15 and a maximum of 30 years' service. The plan also provides for payment of a normal pension to employees who become permanently disabled after age 50 with 15 years' service or at any age with 25 years' service.

The pension program will be financed entirely by Company contributions of 3% of the gross payroll of covered employees.

A similar program has been provided for non-union employees in the factories and for clerical employees in the general office.

Wage rates under the principal employee contracts remained unchanged through the year. This was in accordance with agreements negotiated in the fall of 1955.

International employees also enjoy a vacation of from one to three weeks a year based on length of service with the company. In addition, they receive six paid holidays.

The Company's insurance program, available to all employees, includes life insurance, accident and health and hospital and surgical coverage. Life insurance benefits totalling \$568,000 were paid to 195 families during the year.

Employees enjoy athletic competition, picnics, dances and other activities sponsored by recreation units at many company locations.



Employee safety has always received maximum management attention and the accident frequency in International plants continues to be well below the industry average.

## PLANT COMMUNITIES

Company representatives have been working in cooperation with local plant management to continue the fine relations which exist between the Company and citizens of the plant communities.

Participation in the civic life of these plant towns develops a feeling of goodwill and mutual understanding between the Company and the community. Last year our Company conducted plant tours, supplied speakers and maintained exhibits and displays for such local events as Business-Education Days, Industrial Appreciation Days, community fairs and celebrations and other worthwhile activities.

Civic groups in Washington and De Soto, Missouri, staged special celebrations in observance of our having completed 50 years in these communities. A similar large celebration was held in Windsor, Missouri, commemorating our plant's 25th anniversary there.

Our plants in Paducah and Hopkinsville, Kentucky, and Sikeston, Missouri, were honored by local civic leaders during special Industrial Appreciation programs which stressed the significance of our operations in these communities.

Supt. C. D. Carter (center) and local businessmen C. Whitmire (left) and I. A. Bottorff (right) at open house marking the production of the 10 millionth pair of shoes at Salem factory.





# GENERAL LINE DISTRIBUTION

## OF ST. LOUIS SALES DIVISIONS

Further important steps were taken in 1957 in the reorganization of the general line distribution of the St. Louis sales divisions. The most significant one was the establishment of regional distribution centers—one in Atlanta, Georgia, for the southeast and one in Manchester, New Hampshire, for the northeast. The rest of the country will be served from St. Louis. Under the new arrangement, the Southeast and Northeast Regional Distribution Centers will serve all customers handling any of the general line brands of the Company pictured on this page.

The regional distribution centers include all sales direction for the region, headed by a regional manager and three district managers. In addition to sales direction, the regional centers will warehouse and distribute lines of basic shoes comprising patterns on which 65-75% of the retailers' volume is done. These patterns will be carried on a "never out" basis

so that merchants can get immediate fill-in service.

The same ideas were put into effect in the St. Louis distribution center. The "never out" patterns will be carried in large volume for the prompt filling of customers' orders. The St. Louis distribution center will also stock and ship the remaining patterns not carried in the "never out" stocks for all parts of the country including Southeast and Northeast.

These moves were made feasible by the consolidation of the non-sales functions of the general line branches and the introduction of the high speed data processing equipment. These vital preliminary moves opened up the practicability of the regional distribution type of operation.

Consolidating the non-sales functions of sales divisions, which formerly operated independently on a national basis, was a large and difficult task. During 1957, this program was virtually completed

Planning the new sales program for the general line divisions are: (l. to r.) Henry H. Rand, president; E. S. Bland, manager general line divisions; H. J. Hall, H. J. Donahie, C. R. Smock—general sales managers; and M. R. Chambers, vice-president in charge of sales.





—Roberts, Johnson & Rand—

*Conformal*  
SHOES

*Sundial Shoes*  
FOR ALL THE FAMILY



*The RAND Shoe*

*Randcraft*  
SHOES FOR YOUNG MEN

*Trim Tred*

PRE-TESTED  
**Poll Parrot**  
SHOES FOR BOYS AND GIRLS

**WESBORO**  
"THE VERY NEWEST IN YOUNG MEN'S SHOES"

**CITY CLUB**  
SHOES FOR MEN



*Velvet step*

*Peters Diamond Brand Shoes*

—Friedman-Shelby—

*Friedman-Shelby*

**JOHN C. Roberts**  
SHOES FOR MEN

**KINGSWAY**

*Grace Walker*



in the St. Louis distribution center and, of course, the new regional distribution centers were set up on the same basis.

The reorganization of the general line distribution of the St. Louis sales divisions is predicated on establishing better, more representative distribution for our branded merchandise. The plan calls for accomplishing this with fewer but better field sales personnel. The ultimate objective is larger, more representative retail outlets in locations where they are needed.

With the regional distribution centers manned by sales personnel with complete authority and responsibility, the Company will function closer to the retailer. By close relations with well-established retail outlets and new ones where old ones are not

available, the entire business of making and distributing the complex merchandising items represented by shoes should be more nearly streamlined to the advantage of all concerned—consumer, retailer and producer.

Headquarters of the Southeast Regional Division at Atlanta, Georgia.



# INTERNATIONAL SHOE COMPANY PLANT FACILITIES

THE COMPANY'S PRINCIPAL PLANT FACILITIES INCLUDE:

## MANUFACTURING PLANTS:

### 58 SHOE FACTORIES

Manufacturing Men's, Women's and Children's shoes.

### 3 SOLE CUTTING PLANTS

Producing leather outsoles, insoles, midsoles, counters and heels.

### 2 RUBBER PLANTS

Manufacturing rubber soles and heels.

### 1 COTTON TEXTILE MILL

Producing cloth for shoe linings.

### 1 WELT MANUFACTURING PLANT

Producing leather welting.

### 1 CHEMICAL PLANT

Producing finishes, waxes, polishes and cements.

### 1 BOX PLANT

Producing cartons and containers.

### 1 WOOD HEEL COVERING PLANT

Covering and finishing wood heels.

### 1 LAST REMODELING PLANT

Remodeling lasts.

### 1 FINDINGS PLANT

Producing stripping, piping, bows, box toes and other shoe findings.

### 1 DISPLAY SHOP

Producing display items for shoe stores.

### 1 LEATHER FIBRE PRODUCTS PLANT

Producing leather fibre materials for counters and other shoe components.

## TANNERIES:

### 5 UPPER LEATHER TANNERIES

Tanning shoe upper leather.

### 2 SOLE LEATHER TANNERIES

Tanning shoe sole leather.

## SUPPLY PLANTS:

### 1 UPPER LEATHER SUPPLY PLANT

Warehousing, grading and distributing upper leather to shoe factories.

### 1 CENTRAL SUPPLY PLANT

Distribution center for shoe findings, materials and supplies.

### 1 CENTRAL MACHINE SHOP

Repairing and building machinery and equipment.

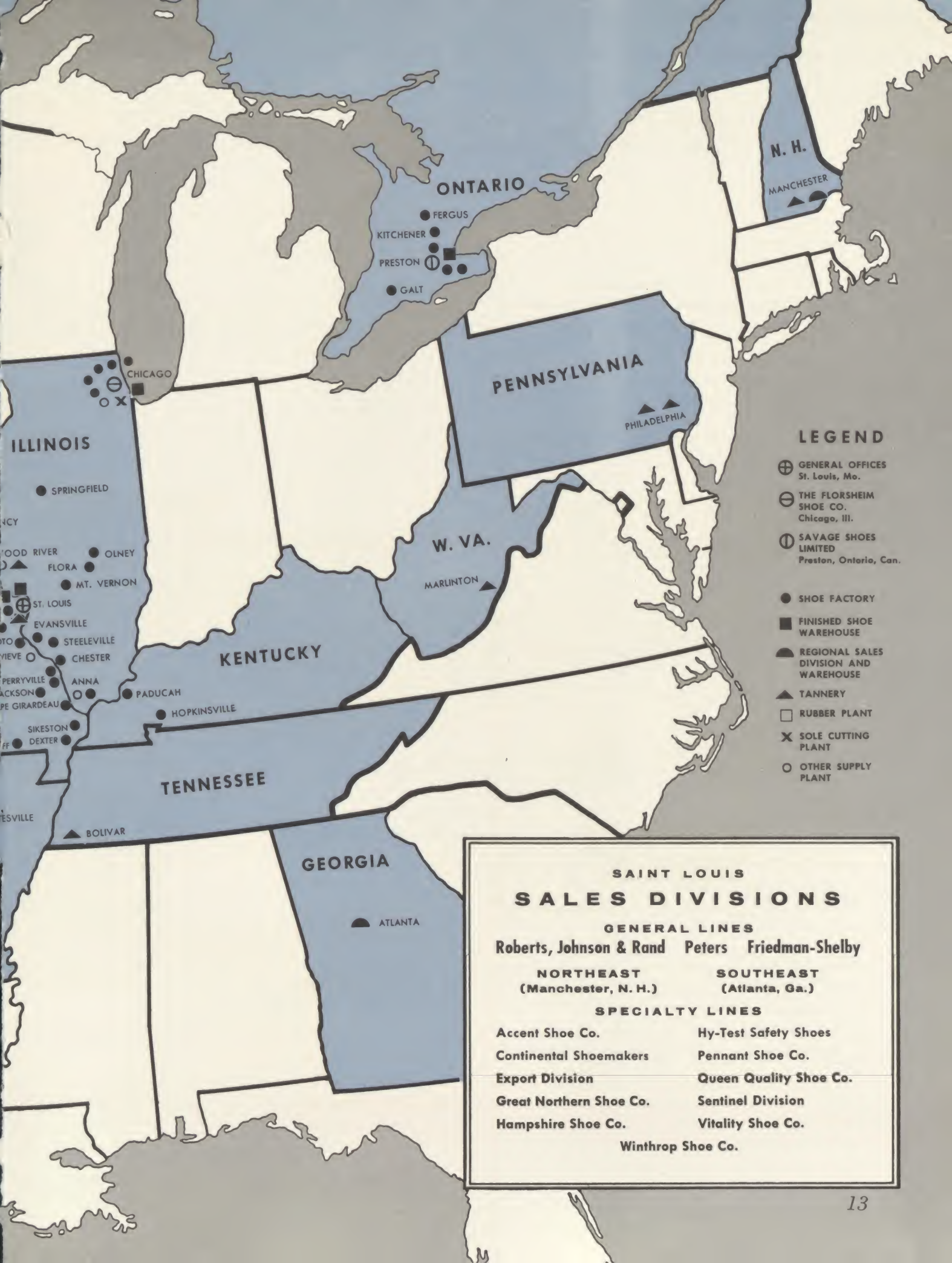
## WAREHOUSES:

### 8 FINISHED SHOE WAREHOUSES

Warehousing, order filling and shipping of finished shoes.







# LEGEND

- ⊕ GENERAL OFFICES  
St. Louis, Mo.
- ⊖ THE FLORSHEIM  
SHOE CO.  
Chicago, Ill.
- Ⓢ SAVAGE SHOES  
LIMITED  
Preston, Ontario, Can.
- SHOE FACTORY
- FINISHED SHOE  
WAREHOUSE
- ▒ REGIONAL SALES  
DIVISION AND  
WAREHOUSE
- ▲ TANNERY
- RUBBER PLANT
- ✕ SOLE CUTTING  
PLANT
- OTHER SUPPLY  
PLANT

## SAINT LOUIS SALES DIVISIONS

GENERAL LINES  
Roberts, Johnson & Rand Peters Friedman-Shelby

NORTHEAST  
(Manchester, N. H.)

SOUTHEAST  
(Atlanta, Ga.)

### SPECIALTY LINES

- |                         |                        |
|-------------------------|------------------------|
| Accent Shoe Co.         | Hy-Test Safety Shoes   |
| Continental Shoemakers  | Pennant Shoe Co.       |
| Export Division         | Queen Quality Shoe Co. |
| Great Northern Shoe Co. | Sentinel Division      |
| Hampshire Shoe Co.      | Vitality Shoe Co.      |
| Winthrop Shoe Co.       |                        |



# SPECIALTY LINE DISTRIBUTION

## OF ST. LOUIS SALES DIVISIONS

Distinguished from the activities of the St. Louis sales divisions which distribute general lines of men's, women's and children's shoes of all types and kinds, the Company has a number of St. Louis sales divisions which concentrate on special lines of shoes. These are briefly described on this page.

### ACCENT SHOE COMPANY

Accent Shoe Company offers a line of women's branded high-style dress shoes priced from \$10.95 to \$12.95 per pair at retail and companion lines of casuals and flats from \$6.95 to \$9.95. Principal customers are major department stores and women's shoe stores in larger cities. Fill-in service is offered on some styles.



### EXPORT DIVISION

This division handles the sale of all company shoes outside the continental limits, selling in 34 countries that permit shoe imports. Principal markets are Latin America and the Pacific area.

### GREAT NORTHERN SHOE COMPANY

Great Northern sells men's dress shoes in the \$8.95 to \$12.95 retail price range and boys' shoes at \$6.95 to \$7.95 under customers' own brands to the volume retailers. All shoes are carried in stock.

### HY-TEST SAFETY SHOES

This division sells steel toe safety shoes to industrial firms and to regular shoe retailers. In-stock service is provided out of St. Louis and Philadelphia.

### PENNANT SHOE COMPANY

Pennant offers a make-up line of women's dress cement shoes under customers' brands. Retail price range is \$12.95 to \$19.95.

### QUEEN QUALITY SHOE COMPANY

Queen Quality sells a branded style line of women's dress and casual shoes priced to retail from \$8.95 to \$12.95. Principal customers are department stores, women's specialty stores and family shoe stores. Fill-in service is provided on popular styles.

### VITALITY SHOE COMPANY

Vitality sells a branded line of women's dress shoes for metropolitan dealers priced to retail from \$10.95 to \$13.95 and a line of casuals priced from \$8.95 to \$10.95. Fill-in service is extended on popular styles.

### WINTHROP SHOE COMPANY

Winthrop sells a branded line of men's and boys' welts and casuals priced from \$8.95 to \$19.95 at retail. Principal customers are department stores, men's stores and family shoe stores. In-stock service is provided on popular styles.

## VOLUME DISTRIBUTION

### OF ST. LOUIS SALES DIVISIONS

These sales divisions concentrate on the sale of our shoes to a comparatively small number of very large volume accounts, principally chains.

### CONTINENTAL SHOEMAKERS

This division sells men's, women's and children's shoes in all grades and operates a separate warehouse for their distribution at Topeka, Kansas.

### SENTINEL DIVISION

This sales division serves a number of chains that are volume users of juvenile and women's shoes.

### HAMPSHIRE SHOE COMPANY

This division distributes men's shoes to a few large chains and volume users. Their line retails at \$6.95 to \$12.95 for men's, and \$5.95 to \$6.95 for boys'. No shoes are in-stock.



## PRODUCTION SUMMARY

Our Company's principal production is shoes.  
During 1957 we produced:

### SHOES

For Men and Boys . . . . .	Pairs	15,824,624
For Women and Girls . . . . .	Pairs	15,929,228
For Children . . . . .	Pairs	17,885,419
House Slippers . . . . .	Pairs	1,313,083
	Total	50,952,354

Consisting principally of this type of production our sales amounted to **\$266,073,480**

However, our Company carried on a vast amount of other production of materials and supplies used principally by us in the manufacture of shoes. During 1957 we produced:

### MATERIALS FOR SHOE UPPERS

Leather for Uppers (including Linings) from Cattle Hides and Lambskins (calfskins tanned under contract not included) . . .	Feet	60,482,644
Cloth for Linings from Cotton . . . . .	Yards	8,902,745

This type of production had an aggregate value of **\$18,794,708**

### MATERIALS FOR SHOE BOTTOMS

Soles, of Leather (some shoes take several soles) . . . . .	Pairs	29,425,701
Soles, of Rubber . . . . .	Pairs	17,380,635
Counters, of Leather . . . . .	Pairs	6,851,192
Heels, of Leather (some shoes take leather and rubber heels) . . .	Pairs	3,906,543
Heels, of Rubber . . . . .	Pairs	19,309,257
Leather, for soles from Cattle Hides . . . . .	Pounds	15,747,631
	Feet	2,209,807
Welting, Leather . . . . .	Yards	16,592,810

This type of production had an aggregate value of **\$27,163,538**

### OTHER MATERIALS AND SUPPLIES used in shoes and for fastening, making and packaging shoes

Boxes, Box Toes, Cartons, Cements, Chemicals, Patterns and others . . . . .	Not Itemized	
---	--------------	--

This type of production had an aggregate value of **\$10,760,127**

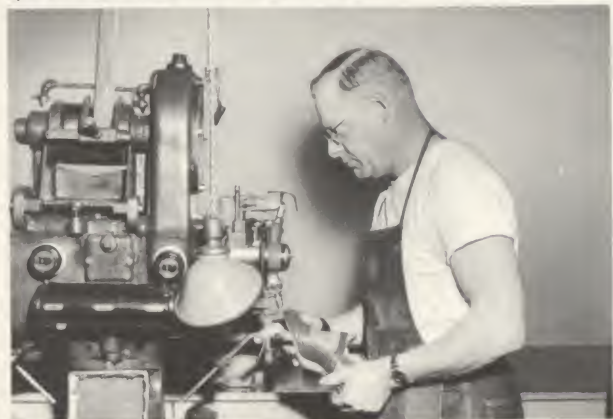
### TOTAL VALUE OF PRODUCTION—shoes, materials and supplies . . . . .

**\$322,791,853**

These employees are trimming and inspecting rubber outsoles at the Bryan, Texas, rubber heel and sole processing plant. This modern plant was completed in 1954.



More than 125 operations are required to produce a pair of shoes. The employee shown here is performing the final edge finishing operation at the Jackson, Missouri, plant.



# THE FLORSHEIM SHOE COMPANY

130 SOUTH CANAL STREET, CHICAGO 6, ILLINOIS



The Florsheim Shoe Company, the largest manufacturer of men's fine quality shoes, completed the year with very satisfactory results.

The Company has modified its facilities to keep pace with the steadily increasing demand during recent years for more flexible, lighter-weight shoes.

During the year construction was begun on a modern one-story warehouse in Chicago conveniently located near the general offices and downtown factory building. The warehouse will become the new distribution center for all Florsheim men's shoes. The building will contain approximately 80,000 sq. ft. with a foundation that will support a second story addition. It is expected to be ready for occupancy about February 1, 1958, and will be equipped with the most modern material handling facilities. Provision has been made for off-the-street parking for employees.

To provide the women of America with authentic Italian styled shoes, Florsheim has completed negotiations with the world-famous couturier boutique of Fontana in Rome to design women's fashion shoes exclusively for Florsheim. These shoes will be manufactured in Chicago, on American lasts to insure proper fitting, and will carry all of the earmarks and characteristics of Italian-made shoes.

Distribution of Florsheim shoes for men and women through independent dealers continued to grow during the year. While there was not any planned expansion for company-owned stores, several new stores were built to replace smaller and older units. Florsheim stores are placed on corner locations whenever possible for their prominence and advertising value.

Rigid adherence to highest standards of quality in materials and workmanship has given the name Florsheim an enviable reputation with the consuming public. All management policy is formed with this as a prime consideration.

## BOARD OF MANAGERS

WILLIAM H. ARMSTRONG  
WILLIAM D. BENJES  
WILLIAM COLLINGWOOD  
SIMEON F. EAGAN  
HAROLD M. FLORSHEIM  
IRVING S. FLORSHEIM  
GIFFORD P. FOLEY  
BYRON A. GRAY  
RICHARD A. HEIDER  
J. LEE JOHNSON  
WELDON P. MAGEE  
MARTIN F. MAHER  
ROBERT O. MONNIC  
OSWALD M. PICK  
HENRY H. RAND  
NORFLEET H. RAND  
JOHN K. RIEDY  
PAUL M. SMITH  
JOSEPH B. STANCLIFFE  
JOHN W. WALLACE

## OFFICERS

IRVING S. FLORSHEIM, *Chairman*      HAROLD M. FLORSHEIM, *President*

## VICE PRESIDENTS

S. F. EAGAN *Manufacturing*      O. M. PICK *Sales*      J. B. STANCLIFFE *Retail Operations*

W. H. ARMSTRONG  
W. D. BENJES  
G. P. FOLEY  
W. P. MAGEE  
J. K. RIEDY

M. F. MAHER, *Director of Advertising*  
J. W. WALLACE, *Treasurer and Secretary*  
B. B. CLAYBURN, *Assistant Secretary*

Interior of new Florsheim Shoe Shop opened in 1957, at 299 Post Street, San Francisco.





# SAVAGE SHOES LIMITED

PRESTON, ONTARIO, CANADA

*Savage Shoes*

Savage Shoes Limited, International's Canadian subsidiary and Canada's largest shoe manufacturer, had another excellent year in 1957. In a year in which Canada's gross national product increased but slightly over the prior year, Savage showed an increase in sales of 20% and in factory production of 17%.

This fine showing is attributable to careful planning based on the 1954 forecast of a marked increase in the Canadian population by 1956. This indicated an even greater increase in the age group—under 19—served by Savage. Manufacturing facilities were expanded and improved. Additional salesmen were placed in the field and the advertising budget was increased, laying the foundation for the larger sales volume attained in 1957.

Savage operates six shoe factories. Three are located in Preston and one each in Fergus, Galt and Kitchener, Ontario. An addition to the Fergus factory is now under construction. Fergus, Savage's newest plant, produces babies' and infants' shoes. The additional floor space will almost double the plant's capacity and will provide for further sales increases.

Last year's annual report mentioned the new

DIRECTORS	
C. REG KIDNER	HENRY H. RAND
JOHN S. MALCOLM	NORFLEET H. RAND
ROBERT O. MONNIC	LAURENCE M. SAVAGE
OFFICERS	
LAURENCE M. SAVAGE <i>President</i>	
C. REG KIDNER <i>Vice-President &amp; Secretary-Treasurer</i>	
JOHN S. MALCOLM <i>Vice-President</i>	

warehouse which was then under construction. The warehouse has been in use since April and is performing up to expectations in expediting customer shipments. It is believed that this warehouse is one of the most efficient in the shoe industry.

It is freely predicted that Canada's most dramatic period of expansion lies just ahead. Fully aware of its great potential, Savage will be ready with production facilities, sales and management personnel to gain its full share of the increasing Canadian market.

Savage's new warehouse in Preston, Ontario, is completely conveyorized to provide prompt and efficient service to customers throughout Canada.

## FLORSHEIM — SAVAGE *Operational Procedure*

The Florsheim Shoe Company and Savage Shoes Limited operate with complete independence in all respects except for high-level coordination with the St. Louis headquarters.

The competent management groups which built these companies continue to direct their activities.



## DETAIL OF STOCK OWNERSHIP

NOVEMBER 30, 1957

Classification	Holders	%	Shares	%
Women	6,156	37.8	1,090,102	32.4
Men	4,945	30.5	1,078,474	32.2
Joint Accounts	3,696	22.8	261,273	7.8
Fiduciaries	931	5.7	549,043	16.4
Investment Trusts	23	.1	83,735	2.5
Companies	90	.6	74,640	2.2
Insurance Companies	10	.1	3,300	.1
Churches—Hospitals— Universities—Charities	124	.8	35,292	1.1
Brokers	262	1.6	177,859	5.3
Total	16,237		3,353,718	

SHARES	1-25	26-50	51-100	101-200	Over 200
HOLDERS	6,059	3,692	3,606	1,155	1,725
	37.4%	22.7%	22.2%	7.1%	10.6%

During the year 1,629 new names were added to the growing list of owners of the Company's 3,353,718 shares of common stock outstanding. The number of share owners at year end totalled 16,237.

International's stock is widely distributed geo-

Below is shown the beautiful interior of Leslie's Shoe Store at Carbondale, Illinois. This store, opened in 1957, is one of nine stores in the Leslie group.



graphically with shareholders in every state of the United States and in 9 possessions and foreign countries.

The classification of stockholders and amount of holdings at year end are shown on this page.

Pam's Children's Shoes new store in the large Crestwood Shopping Center in suburban St. Louis is typical of many fine stores distributing International products.





CONSOLIDATED  
FINANCIAL  
STATEMENTS



# INTERNATIONAL SHOE COMPANY

	YEARS ENDED			
	1957	1956	1955	1954
NET SALES	\$266,073	\$266,814	\$262,414	\$246,765
INCOME BEFORE TAXES	18,675	22,123	21,847	21,659
FEDERAL AND CANADIAN INCOME TAXES	9,095	11,246	11,448	11,592
NET INCOME (1)	9,577	11,849 (3)	10,414	10,203
DIVIDENDS PAID	8,054	8,062	8,095	8,131
PERCENTAGE OF NET INCOME TO SALES	3.6%	4.4%	4.0%	4.1%
PER SHARE—NET INCOME (2)	\$ 2.86	\$ 3.53 (3)	\$ 3.10	\$ 3.01
PER SHARE—DIVIDENDS	2.40	2.40	2.40	2.40
CASH AND GOVERNMENT SECURITIES	\$ 8,495	\$ 8,892	\$ 10,639	\$ 10,443
RECEIVABLES	45,304	46,778	40,621	40,335
INVENTORIES	71,613	74,409	71,848	72,968
PREPAID EXPENSES	593	564	430	564
TOTAL CURRENT ASSETS	126,005	130,643	123,538	124,310
CURRENT LIABILITIES	28,965	31,253	27,223	38,704
WORKING CAPITAL	97,040	99,390	96,315	85,606
PHYSICAL PROPERTIES (NET)	38,520	37,054	36,800	35,787
OTHER ASSETS	11,257	10,657	10,394	9,609
LONG-TERM DEBT	42,999	44,415	44,655	33,552
MINORITY INTERESTS IN SUBSIDIARIES	1,035	1,228	1,152	884
STOCKHOLDERS' EQUITY	\$102,783	\$101,458	\$ 97,702	\$ 96,566
SHARES OF COMMON STOCK OUTSTANDING	3,353,718	3,358,703	3,359,503	3,386,203
STOCKHOLDERS' EQUITY PER SHARE	\$30.65	\$30.21	\$29.08	\$28.52

(1) After adjustment for minority interests.

(2) Based on shares outstanding.

(3) Includes nonrecurring items which increased net income \$1,101,325 or 33 cents per share.



# TEN-YEAR CONSOLIDATED FINANCIAL REVIEW

## NOVEMBER 30

1953	1952	1951	1950	1949	1948
(DOLLARS IN THOUSANDS)					
\$251,028	\$217,042	\$225,070	\$199,009	\$190,353	\$220,146
19,508	17,116	20,170	19,386	12,457	22,046
9,687	8,859	11,459	8,248	4,711	8,199
9,931	8,287	8,837	11,138	7,747	13,847
8,139	8,096	8,158	8,669	10,200	10,200
4.0%	3.8%	3.9%	5.6%	4.1%	6.3%
(IN DOLLARS)					
\$ 2.93	\$ 2.44	\$ 2.61	\$ 3.28	\$ 2.28	\$ 4.07
2.40	2.40	2.40	2.55	3.00	3.00
(DOLLARS IN THOUSANDS)					
\$ 11,527	\$ 23,168	\$ 6,149	\$ 4,494	\$ 5,997	\$ 4,789
41,028	34,472	26,211	36,126	28,892	33,787
72,822	59,051	58,674	47,764	47,040	51,690
574	976	842	742	675	696
125,951	117,667	91,876	89,126	82,604	90,962
39,608	25,575	23,815	21,640	17,484	25,491
86,343	92,092	68,061	67,486	65,120	65,471
33,217	23,010	22,242	22,593	23,831	23,777
10,972	8,065	5,227	4,978	3,867	5,642
34,958	30,000	2,592	2,692	2,891	2,992
900	214	213	—	—	—
\$ 94,674	\$ 92,953	\$ 92,725	\$ 92,365	\$ 89,927	\$ 91,898
3,390,803	3,392,753	3,391,100	3,399,200	3,400,000	3,400,000
\$27.92	\$27.40	\$27.34	\$27.17	\$26.45	\$27.03

# INTERNATIONAL SHOE COMPANY

## CONSOLIDATED FINANCIAL POSITION

	November 30,	1957	1956
<b>Current assets:</b>			
Cash.....	\$	7,840,775	\$ 8,583,859
United States Government securities, at cost.....		654,052	307,847
Receivables—trade and sundry, less allowance for cash discounts and doubtful accounts..		45,303,846	45,265,949
Inventories (Note 2).....		71,613,174	74,409,138
Net refund of prior years' excess profits taxes under Section 722 of the Internal Revenue Code.....		—	1,512,000
Prepaid insurance premiums, taxes and sundry.....		592,815	563,996
<b>Total current assets.....</b>		<b>126,004,662</b>	<b>130,642,789</b>
<b>Less—current liabilities:</b>			
Notes payable to banks.....		195,000	3,195,000
Current maturities of long-term debt.....		1,656,916	240,416
Accounts payable and accrued expenses.....		17,418,474	16,257,760
Employees' balances and tax withholdings.....		1,776,883	1,681,048
Federal and Canadian taxes on income.....		7,917,077	9,878,163
<b>Total current liabilities.....</b>		<b>28,964,350</b>	<b>31,252,387</b>
<b>Net working capital.....</b>		<b>97,040,312</b>	<b>99,390,402</b>
<b>Physical properties—based on appraisal April 30, 1925, plus subsequent additions at cost, less accumulated depreciation (Note 3).....</b>		<b>38,520,161</b>	<b>37,053,522</b>
<b>Customers' secured loans, deferred maturities.....</b>		<b>8,523,827</b>	<b>6,706,165</b>
<b>Excess of investment over equity in subsidiaries (net).....</b>		<b>598,444</b>	<b>653,020</b>
<b>Employees' notes receivable for stock, secured by 63,618 shares and 99,034 shares of parent company's common stock.....</b>		<b>1,498,058</b>	<b>2,494,559</b>
<b>Sundry investments and deferred charges.....</b>		<b>636,442</b>	<b>802,483</b>
		<b>146,817,244</b>	<b>147,100,151</b>
<b>Deduct:</b>			
Long-term debt, less current maturities (Note 4).....		42,999,333	44,414,583
Minority interests in subsidiaries.....		1,035,175	1,227,875
		44,034,508	45,642,458
<b>STOCKHOLDERS' EQUITY.....</b>		<b>\$102,782,736</b>	<b>\$101,457,693</b>
<b>Represented by:</b>			
Common stock without nominal or par value:			
Authorized 4,000,000 shares; issued 3,400,000 shares.....	\$	51,000,000	\$ 51,000,000
Capital in excess of stated amount.....		1,318,565	1,334,942
Retained earnings (Note 5).....		52,405,775	50,882,427
		104,724,340	103,217,369
Less common stock in treasury, 46,282 shares and 41,297 shares, at cost.....		1,941,604	1,759,676
Stockholders' equity applicable to common stock outstanding, 3,353,718 shares and 3,358,703 shares.....		<b>\$102,782,736</b>	<b>\$101,457,693</b>

See accompanying notes to financial statements.



## INTERNATIONAL SHOE COMPANY

## CONSOLIDATED INCOME and RETAINED EARNINGS

Years Ended November 30, 1957

1956

Sales and other income:		
Net sales.....	\$266,073,480	\$266,813,539
Income from rentals and services.....	364,499	340,937
Interest and other income.....	621,275	584,433
	<u>267,059,254</u>	<u>267,738,909</u>
Deductions:		
Cost of sales, selling, general and administrative expenses (Note 7).....	246,124,329	243,424,763
Interest and amortization of expense on long-term debt.....	1,555,788	1,543,858
Other interest and sundry charges.....	704,611	646,919
	<u>248,384,728</u>	<u>245,615,540</u>
Income before Federal and Canadian taxes on income.....	18,674,526	22,123,369
Federal and Canadian taxes on income, estimated.....	9,095,045	11,245,588
	<u>9,579,481</u>	<u>10,877,781</u>
Proportion of net profit of subsidiaries applicable to minority interests.....	2,200	129,609
	<u>9,577,281</u>	<u>10,748,172</u>
Nonrecurring items less applicable Federal income taxes:		
Add—Refund of prior years' excess profits taxes under Section 722 of the Internal Revenue Code, including interest.....	—	1,512,000
Deduct—Adjustment of Florsheim Division inventories to last-in, first-out method.....	<u>—</u>	<u>410,675</u>
NET INCOME FOR YEAR APPLICABLE TO CAPITAL STOCK OF COMPANY.....	9,577,281	11,849,497
Retained earnings at beginning of year.....	50,882,427	47,094,777
	<u>60,459,708</u>	<u>58,944,274</u>
Dividends on common stock \$2.40 per share each year.....	8,053,933	8,061,847
RETAINED EARNINGS AT END OF YEAR.....	<u>\$ 52,405,775</u>	<u>\$ 50,882,427</u>
See accompanying notes to financial statements.		

ACCOUNTANTS'  
REPORTTO THE BOARD OF DIRECTORS  
INTERNATIONAL SHOE COMPANY:

We have examined the statement of consolidated financial position of International Shoe Company and subsidiaries as of November 30, 1957, and the related statement of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying statement of consolidated financial position and statement of consolidated income and retained earnings present fairly the financial position of International Shoe Company and subsidiaries at November 30, 1957, and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

St. Louis, Missouri  
December 31, 1957

PEAT, MARWICK, MITCHELL &amp; Co.

INTERNATIONAL SHOE COMPANY  
NOTES TO  
FINANCIAL STATEMENTS

(1) PRINCIPLES OF CONSOLIDATION:

All subsidiaries (including one Canadian) with a 51% or greater ownership are included in the consolidated financial statements in accord with established policy of the company. Operating results from acquisition date of newly acquired subsidiaries are included in consolidated income.

Insofar as practicable, all intercompany accounts, transactions and unrealized profit in inventories have been eliminated in consolidation.

(2) INVENTORIES:

	November 30	
	1957	1956
Finished shoes . . . . .	\$36,147,352	\$37,671,688
Shoes in process . . . . .	3,551,999	3,388,758
Hides and leather . . . . .	13,540,151	13,227,251
Miscellaneous materials on hand and in process . . . . .	18,373,672	20,121,441
	<u>\$71,613,174</u>	<u>\$74,409,138</u>

Fifty-seven per cent of the inventories at current values are priced at cost, last-in, first-out (lifo). The remainder of the inventories, including all miscellaneous materials and supplies, are priced at the lower of cost, first-in, first-out, or replacement market.

(3) PHYSICAL PROPERTIES:

	November 30	
	1957	1956
Land . . . . .	\$ 3,651,757	\$ 3,375,588
Buildings and structures . . . . .	38,538,779	37,761,319
Machinery and equipment . . . . .	37,828,404	36,275,198
Lasts, patterns and dies . . . . .	1	1
	<u>80,018,941</u>	<u>77,412,106</u>
Less accumulated depreciation . . . . .	41,498,780	40,358,584
	<u>\$38,520,161</u>	<u>\$37,053,522</u>

Properties of Twelfth-Delmar Realty Company (net balance November 30, 1957, \$2,736,506) are pledged as collateral on mortgage notes payable to banks.

(4) LONG-TERM DEBT, LESS CURRENT MATURITIES:

	November 30	
	1957	1956
3½% promissory installment notes, due annually \$1,125,000, 1962 through 1981 and balance in 1982 . . . . .	\$30,000,000	\$30,000,000
3½% promissory installment note, payable \$1,500,000 annually 1959 through 1965 . . . . .	10,500,000	12,000,000
Mortgage notes payable, an obligation of Twelfth-Delmar Realty Company, payable \$8,333 monthly, and balance December 1, 1958 . . . . .	1,808,333	1,908,333
5½% sinking fund debentures, obligations of Savage Shoes Limited:		
Series A, annual sinking fund requirements \$48,750 to 1961 and \$52,500 thereafter . . . . .	457,500	506,250
Series B, annual sinking fund requirements \$16,500 to 1966 and \$17,000 thereafter . . . . .	233,500	—
	<u>\$42,999,333</u>	<u>\$44,414,583</u>

(5) RETAINED EARNINGS RESTRICTIONS:

Retained earnings of \$28,470,720 at November 30, 1957, are restricted as to payment of cash dividends on common stock by the 3½% promissory note agreement. The note agreement also provides that no payment be made for dividends unless consolidated net working capital shall be at least \$50,000,000.

(6) COMMON STOCK SUBJECT TO OPTIONS:

Number of Shares	Expiration Date	Option Price	Market at Date of Grant
29,300	October 18, 1959	\$40	\$41¾
<u>5,240</u>	<u>April 9, 1962</u>	<u>39½</u>	<u>39½</u>

(7) CERTAIN CHARGES TO OPERATIONS:

	1957	1956
Depreciation of physical properties . . . . .	\$3,327,648	\$3,095,614
Maintenance and repairs . . . . .	5,049,489	4,989,125
Taxes other than income taxes . . . . .	5,982,092	5,073,713
Rentals of real property . . . . .	4,297,234	3,775,632
Rentals of shoe machinery . . . . .	<u>2,529,820</u>	<u>2,864,582</u>



## ***Directors***

EDGAR S. BLAND	ROBERT O. MONNIG
CARL E. BRUECKMANN	HAROLD F. OYAAS
MAURICE R. CHAMBERS	OLIVER F. PETERS
HAROLD M. FLORSHEIM	HENRY H. RAND
IRVING S. FLORSHEIM	NORFLEET H. RAND
BYRON A. GRAY	REZIN H. RICHARDS
CLEMENCE L. HEIN	RICHARD O. RUMER
ANDREW W. JOHNSON	LAURENCE M. SAVAGE
J. LEE JOHNSON	ALBERT V. WHEELER
LEE C. MCKINLEY	

## ***Officers***

BYRON A. GRAY . . . . .	<i>Chairman of the Board</i>
HENRY H. RAND . . . . .	<i>President</i>
ANDREW W. JOHNSON . . .	<i>Vice-President and Treasurer</i>
OLIVER F. PETERS. . . . .	<i>Vice-President</i>
ROBERT O. MONNIG . . .	<i>Vice-President and Comptroller</i>
J. LEE JOHNSON . . . . .	<i>Vice-President</i>
REZIN H. RICHARDS . . . . .	<i>Vice-President</i>
HAROLD M. FLORSHEIM . . . . .	<i>Vice-President</i>
LEE C. MCKINLEY . . . . .	<i>Vice-President</i>
MAURICE R. CHAMBERS . . . . .	<i>Vice-President</i>
NORFLEET H. RAND. . . . .	<i>Vice-President</i>
CARL E. BRUECKMANN . . .	<i>Secretary and Asst. Treasurer</i>
RICHARD O. RUMER . . . . .	<i>General Counsel</i>
WARREN P. METZ . . . . .	<i>Asst. Secretary</i>
WILLIAM J. BANKS . . . . .	<i>Asst. Comptroller</i>

## ***General Offices***

1509 Washington Ave., St. Louis 3, Mo.

## ***Transfer Agents***

Manufacturers Trust Company, New York, N. Y.  
Mercantile Trust Company, St. Louis, Mo.

## ***Registrars***

Guaranty Trust Company, New York, N. Y.  
St. Louis Union Trust Company, St. Louis, Mo.



*World's largest manufacturer of men's, women's and children's shoes*